LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: MARCH 8, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

SAMUEL MARTINEZ, Assistant Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #8 – Update on Status of LAFCO 3157A – Service

Review for Open Space and Habitat Conservation within the Valley Region and Request for Continuance to September 21, 2016 Hearing

RECOMMENDATION:

Staff recommends that the Commission:

- 1. Modify LAFCO 3157A, service review for Open Space and Habitat Conservation, to encompass the entire San Bernardino County;
- Defer consideration of LAFCO 3157A, as modified, until after completion of Phase 2 of the Countywide Habitat Preservation/Conservation Framework Study;
- 3. Direct staff to evaluate a sphere of influence reduction to a zero sphere for County Service Area 120 if the conditions outlined in Resolution No. 3095 still have not been met by the time the Commission considers LAFCO 3157A; and,
- 4. Note receipt of the Status Report and file.

BACKGROUND:

In September 2014, the Commission deferred consideration of LAFCO 3157A, the service review for Open Space and Habitat Conservation Services for the Valley Region, until completion of the Countywide Habitat Preservation/Conservation Framework Study (Framework Study), which is the first of many steps towards a more comprehensive approach to habitat conservation for San Bernardino County. The

Framework Study is a product of the Countywide Vision Environment Element Group, in coordination with the San Bernardino Associated Governments (SANBAG), which is composed of stakeholders representing environmental groups, the building industry, state resource agencies, special districts, and other local and regional governments, including LAFCO. LAFCO staff collaborated extensively with SANBAG and its consultant on Phase 1 of the Framework Study by providing data that was already collected through the initial process of LAFCO's service review on open space and habitat conservation.

Phase 1 of the Framework Study was completed in February 2015. Included as Attachment #1 to this report is Section 7 of the Framework Study that outlines the "next steps" to be taken towards developing a Countywide conservation plan.

Since next steps, which is Phase 2 of the Framework Study, is evaluating habitat preservation/conservation for the entire San Bernardino County, staff is recommending that the Commission's service review for open space and habitat conservation be modified from solely the service review for the Valley Region to now encompass the entire County.

Recommendation:

Modify LAFCO 3157A, service review for Open Space and Habitat Conservation, to encompass the entire San Bernardino County.

The priority next steps for Phase 2, as defined by the Countywide Vision Environment Element Group, includes developing an inventory and habitat tracking system, conducting a more detailed conservation "gap analysis" and developing a reserve design. The Request for Proposal that was sent out for Phase 2 just recently concluded and SANBAG, as the project manager, anticipates that a consultant for Phase 2 will soon be selected. Included as Attachment #2 to this report is the Scope of Work that outlines the timeline and the tasks needed to complete Phase 2.

As identified in the Scope of Work, Phase 2 is anticipated to be completed in 12 to 18 months. Since much of information that is being generated for Phase 2 is what LAFCO staff will also be using for its data analysis, it would be beneficial for LAFCO to await the completion of Phase 2 in order not to duplicate the efforts that the Countywide Vision Environment Element Group and SANBAG are working on.

Recommendation:

Defer consideration of LAFCO 3157A, as modified, until after completion of Phase 2 of the Countywide Habitat Preservation/Conservation Framework Study.

County Service Area 120

Also in September 2014, the Commission approved LAFCO 3157, the sphere of influence establishment for County Service Area (CSA) 120 followed by the Commission's adoption of Resolution No. 3190 for LAFCO 3157. Resolution No. 3190 included conditions imposed on CSA 120's sphere of influence establishment, which are outlined below:

- Within six months of the approval of the sphere of influence establishment, CSA 120 shall have completed the due diligence process with the California Department of Fish and Wildlife to be declared an available recipient of mitigation properties in the future. Failure to do so will require a further analysis of the sphere of influence assignment;
- 2. Within six months of the approval of the sphere of influence establishment for CSA 120, management of the County Special Districts Department shall develop a mechanism to provide for the maintenance and operation of the improvements constructed through the 2008-09 State Park grant without use of the endowment funds established for mitigation purposes only;
- 3. Within six months of the approval of the sphere establishment, CSA 120 shall have completed all reporting required by State law for the management of mitigation properties; and,
- 4. Within six months of the approval of the sphere of influence establishment, CSA 120 will have developed funding plans to restore endowment balances for those mitigation properties where mitigation work has not been performed but interest earnings used.

As of the date of this report, no documentation has been provided regarding the satisfaction of these conditions.

On January 21, 2016, CSA 120's Advisory Board recommended that its staff move forward with submitting the necessary documents to process its Due Diligence with the California Department of Fish and Wildlife – a process that should have started even before the conditions for CSA 120's sphere of influence establishment were imposed since the district will not be authorized to hold and manage additional mitigation lands in the future. Since it is the recommendation that the Commission defer its consideration of the service review for open space and habitat conservation for San Bernardino County until after Phase 2 is completed (anticipated to be 12-18 months from now), LAFCO staff is recommending that the Commission consider designating a zero sphere of influence for CSA 120 if it still has not fulfilled all of the conditions that were imposed on its sphere establishment by that time, noting that an additional 18 months should be

more than enough time to complete all the conditions related to CSA 120's sphere establishment as outlined in Resolution No 3190 approved almost two years ago.

Recommendation:

Direct staff to evaluate a sphere of influence reduction to a zero sphere for County Service Area 120 if the conditions outlined in Resolution No. 3095 still have not been met by the time the Commission considers LAFCO 3157A.

Designation of a zero sphere of influence would signal the Commission's position that the CSA 120 should no longer be considered to provide this service and that others within the area, to be defined in the study, should consider assumption of these services.

KRM/sm

Attachments:

- 1. Section 7 of the Framework Study Next Steps
- 2. Phase 2 Scope of Works